

5

CLAIMS

1. A method of trading in the value of property which includes the steps of:

- (a) designating at least one geographical area;
- (b) collecting data relating at least to the prices and numbers of properties which are located in the designated geographical area and which either are sold during a given time period or for which the registration of a transfer pursuant to a sale takes place during a given time period;
- (c) generating an index from the collected data which is based at least on the selling price per property sold or transferred during the given time period;
- (d) producing futures contracts for properties, in the said designated geographical area, which are based at least on the said index; and
- (e) allowing the futures contracts to be traded on an exchange.

2. A method according to claim 1 which includes the step of ensuring credit-worthiness between traders by at least one of the following: debiting their bank accounts or credit cards; verifying accessible bank deposits of acceptable securities.

3. A method according to claim 1 which includes the step of requiring traders to deposit margin in an account maintained by an exchange with a bank.

4. A method according to claim 1 wherein the futures contracts are traded according to a trade matching algorithm operated by the exchange.

5

5. A method according to claim 1 which includes the step of restricting trading of a contract to traders who have taken positions in that contract prior to an event.

10

6. A method according to claim 5 wherein the said event is a spot month of the said contract.

15

7. A method according to claim 1 wherein the said index in step (c) is related to at least the average or median selling price of all properties sold.

8. A method according to claim 1 wherein the said data which is collected is derived from official, government or fiscal records.

20

9. A method according to claim 1 wherein, in step (a), a number of geographical areas are designated and, within each area, specific data is collected and an appropriate index is generated.

25

10. A method according to claim 1 which includes the steps of automatically debiting initial margin deposits pertaining to a specific trader and contract and debiting and crediting variation margin according to the daily settlement prices of the respective contracts.

30

11. A method according to claim 10 wherein the nominal value of each contract is a proportion of the median, or other representative, price of properties in the respective designated geographical area.